



## Federal Aviation Administration

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# Memorandum

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To: All Aircraft Certification Service Directorate Managers

From: *Frank P. Paskiewicz*  
Frank P. Paskiewicz, Manager, Production and Airworthiness Division, AIR-200

Subject: Clarification regarding licensing agreement entries on a Production Certificate/Production Limitation Record

This Memorandum is being distributed in order to help clarify some recent confusion regarding licensing agreement entries on a Production Certificate (PC)/Production Limitation Record (PLR) for something less than a complete product (e.g., defined in 14 CFR Part 21, § 21.1(b) as an aircraft, aircraft engine, or propeller). The information contained within this Memorandum has been previously coordinated with the FAA's Office of the Chief Counsel and AIR's Aircraft Engineering Division and does not establish nor change any existing regulatory requirements or policy.

The regulatory language of 14 CFR Part 21, § 21.133 permits qualified persons to apply for a PC when they hold for the product concerned a current Type Certificate (TC), rights to the benefits of a TC under license, or a Supplemental Type Certificate (STC). The "rights to the benefits of a TC under license" is interpreted to mean all appropriate data comprising the entire type design for the complete TC'd product. This would then provide the licensee with all the necessary approved data to make duplicates of that complete product under an accompanying FAA PC/PLR, as permitted under 14 CFR Part 21, § 21.151. Such activity would be in accordance with the long-standing regulatory requirements and associated policy on this matter.

A PC/PLR may not be issued or subsequently amended based on partial or limited licensing agreements for only certain portions of a complete product's design data in order to permit production of the associated parts and components. For example, airframe parts and components certified under Part 25 cannot be entered on an engine manufacturer's PC/PLR. There are other means by which a person can seek and be granted production authority for these parts and components in a manner compliant with the applicable regulations and policy. These would include any of the following options:

- (1) Request that the TC'd product holder transfer all design data associated with the subject parts and components from their own type design for subsequent placement onto the licensee's type design and associated PC/PLR. This will require the licensee to undertake a



re-certification of the subject parts and components and they would then become solely responsible for the continued operational safety responsibilities for these items. The parts and components could then be manufactured and installed onto their own TC'd product for subsequent shipment and delivery to the next TC holder for new production programs or to owners and operators having their TC'd products in-service;

(2) Request that the TC'd product holder permit the use of design data associated with the subject parts and components from their own type design for subsequent placement onto the licensee's type design and associated PC/PLR. This will require the licensee to undertake a re-certification of the subject parts and components and both they and the TC holder would then have a similarly approved design and become responsible for the continued operational safety responsibilities for these items. This shared continued operational safety responsibility would need to be accepted by the FAA and appropriately defined, outlined, and documented in a manufacturer/FAA Management Plan. The parts and components could then be manufactured and installed onto their own TC'd product for subsequent shipment and delivery to the next TC holder for new production programs or to owners and operators having their TC'd products in-service;

(3) Seek and be granted an FAA PMA for such parts and components based upon a PMA Assist Letter from the TC'd product holder. The parts and components could then be manufactured and installed on the licensee's TC'd product, when such PMA'd items are so identified in the next TC'd product holder's design data, in a supplier capacity for new production or in-service use. The next TC holder or in-service owners and operators would be responsible for providing approved installation instructions and final installation approval for worked completed by PMA holder;

(4) Install such parts and components, which are provided by the next TC'd product holder or owners and operators in-service with approved installation instructions, in a "supplier" capacity to those entities. The next TC holder or the in-service owners and operators would be responsible for final installation approval for worked completed by supplier; or,

(5) Seek and be granted an FAA exemption to 14 CFR, Part 21, § 21.151, to allow PLR entries for the manufacture and installation of such parts and components since they would be less than a complete product as required by the regulation. This would still require evidence of a licensing agreement between the next TC'd product holder and the exemption petitioner in order to allow for permissible use of the subject design data.

Since there has been some confusion pertaining to this subject recently, please ensure the proper dissemination of this clarification Memorandum to all your Directorate MDOs, MISOs, CMOs, and CMUs at your earliest convenience. This clarifying information will be reflected in permanent policy at the next revision or change to our FAA Order 8120.2.

Thank you in advance for your assistance and cooperation on this matter. As with this issue, or any other scenarios for which you need regulatory and policy clarification, we encourage you to contact us at the earliest convenience for guidance.

If you have any questions concerning this specific information, please contact the Manager of our Production Certification Branch, Mr. James Seipel, at (202) 267-3978.